



## U.S. Department of Justice

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### **News Summary: Two OIC-related organizations criminally charged**

Two organizations tied to Opportunities Industrialization Center of Greater Milwaukee (OIC) have been criminally charged with obstruction of justice and fraud in a continuing federal investigation that began with the indictment of former state senator Gary R. George, United States Attorney Steven M. Biskupic announced today.

Garfield Foundation, the OIC affiliate handling approximately \$4 million in real estate, has been charged with obstruction of justice. The charge alleges that employees of Garfield:

- paid \$165,000 for the rent and acquisition of a Milwaukee building that was never used or obtained;
- falsified signatures and documents in a failed attempt to obtain City of Milwaukee block grant money for the building; and
- altered the face of a check that had been the subject of a grand jury subpoena.

Opportunities Investment Associates, Inc., the OIC for-profit holding company, has been charged with federal program fraud for funneling money to Gary George through a television station investment. The charge mirrors the evidence presented in the August 2004 trial of Carl A. Gee, the prior president and chief executive officer of OIC. Gee was convicted and awaits sentencing.

The charges against each organization carry a maximum fine of \$500,000.

"These charges attempt to target and punish those organizations that were used as tools for criminal activity," Biskupic said. "OIC specifically was spared in order to allow new management an opportunity to carry on its stated intention of reform. The other two organizations, however, should be eliminated from OIC's future W-2 efforts."

Biskupic said that today's charges focus solely on corporate liability. No determination has been completed on whether any additional individuals will be charged. To date, Gary George, Carl Gee, and OIC attorney Mark Sostarich have all been convicted of federal offenses in connection with the probe. George was sentenced four years imprisonment. The sentencing hearings for Sostarich and Gee have not yet been held.

Biskupic said the charge against Opportunities Investment Associates also will make it easier for the government to recoup restitution from the George-family television station. A prior federal court order froze \$50,000 that was earmarked for Opportunities Investment Associates from a sale of television station assets.

The ongoing investigation involves agents of the FBI and Criminal Investigation Division of the IRS, along with Biskupic and Assistant U.S. Attorneys Matthew L. Jacobs and Greg J. Hanstaad from the United States Attorney's Office.

The public is cautioned that an information is merely the formal method of returning charges against a corporation and does not constitute the inference of guilt.

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